DECLARATION OF ERIC BRUNO

WC Docket No. 05-25

EXHIBIT 22

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Bruno Decl. – Exhibit 22

accenture

High performers outperform their competitors in organic growth.

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Company Description

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Accenture is a global management consulting, technology services and outsourcing company, with net revenues of $13.7 billion for the fiscal year ended August 31, 2004. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments.

Our "high performance business" strategy builds on our expertise in consulting, technology and outsourcing to help clients perform at the highest levels so they can create sustainable value for their customers and shareholders. Using our industry knowledge, service-offering expertise and technology capabilities, we identify new business and technology trends and develop solutions to help clients around the world:

- Enter new markets.
- Increase revenues in existing markets.
- Improve operational performance.
- Deliver their products and services more effectively and efficiently.

We have extensive relationships with the world's leading companies and governments and work with organizations of all sizes—including 84 of the *Fortune* Global 100 and two-thirds of the *Fortune* Global 500. Our commitment to client satisfaction strengthens and extends our relationships. For example, 93 of our top 100 clients in fiscal year 2004, based on revenue, have been clients for at least five years, and 73 have been clients for at least 10 years.

Among the many strengths that distinguish Accenture in the marketplace are our:

- Extensive industry expertise.
- Broad and evolving service offerings.
- Expertise in business transformation outsourcing.
- History of technology innovation and implementation, including our research and development capabilities, on which we spend approximately $250 million each year.
- Commitment to the long-term development of our employees.
- Proven and experienced management team.

By enhancing our consulting and outsourcing expertise with alliances and other capabilities, we help move clients forward in every part of their businesses, from strategic planning to day-to-day operations. With more than 110,000 employees in 48 countries, deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills and technologies to help clients improve their performance.

How may we help you?

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2004 News Releases

Accenture Reports Strong Fourth-Quarter and Full-Year Fiscal 2004 Results

Company Achieves Net Revenue Growth Across All Operating Groups and Geographies

Consulting Continues to Strengthen; Outsourcing Gains

NEW YORK; Oct. 13, 2004 – Accenture (NYSE: ACN) today reported financial results for the fourth quarter and full fiscal year ended Aug. 31, 2004, in line with the company's previously stated expectations.

Accenture achieved 16 percent growth in both net revenues and earnings per share for the full fiscal year 2004. The company also grew net revenues in each of its five operating groups and across all three geographic regions during the fourth quarter and full fiscal year.

Financial Highlights

Fourth Quarter 2004

- Revenues before reimbursements ("net revenues") were $3.42 billion, compared with $3.02 billion for the year-ago period, an increase of 13 percent in U.S. dollars and an increase of 10 percent in local currency.
- Diluted EPS were $0.30, compared with $0.25 for the year-ago period, an increase of 20 percent.
- Operating income was $371 million, or 10.8 percent of net revenues, compared with $350 million, or 11.6 percent of net revenues, for the year-ago period, an increase of 6 percent.
- New bookings totaled $4.0 billion, compared with $3.8 billion for the year-ago period, an increase of 7 percent.

Fiscal Year 2004

- Net revenues were $13.67 billion, compared with $11.82 billion for fiscal year 2003, an increase of 16 percent in U.S. dollars and an increase of 9 percent in local currency.
- Diluted EPS were $1.22, compared with $1.05 for fiscal 2003, an increase of 16 percent.
- Operating income was $1.76 billion, or 12.9 percent of net revenues, compared with $1.55 billion, or 13.1 percent of net revenues, for fiscal 2003, an increase of 13 percent.
- New bookings totaled $20.1 billion, compared with $16.1 billion for fiscal 2003, an increase of 25 percent.

William D. Green, Accenture's CEO, said, "We are pleased with our results, which reflect our ongoing success in helping clients become high-performance businesses. Our growth was widespread, with net revenue increases in each of our five operating groups and across all three geographic regions. We are encouraged by the continued gains we achieved in our consulting business, and by growth in our outsourcing business, which now accounts for 37 percent of our net revenues.

"Looking ahead, we believe we are well positioned to build on our success during the past year. We have a healthy balance sheet, a strong cash position and a positive outlook for fiscal year 2005."

Financial Review

Fourth Quarter 2004

Gross margin (gross profit as a percentage of net revenues) was 32.4 percent, compared with 34.4 percent for the fourth quarter of fiscal 2003 and 35.4 percent for the third quarter of fiscal 2004, primarily due to the continued shift in the mix of the company's business to outsourcing and the accrual of a significant amount of variable compensation in the fourth quarter compared with the fourth quarter of fiscal 2003.

Selling, general and administrative costs were $732 million, or 21.4 percent of net revenues, compared with $694 million, or 23.0 percent of net revenues, for the fourth quarter of fiscal 2003.

Accenture accrued variable compensation expense of $125 million in the fourth quarter. The company had no variable compensation expense in the fourth quarter of fiscal 2003.

The company's effective tax rate for the fourth quarter was 21.6 percent, including an adjustment to reflect the impact of the change in the fiscal year 2004 annual tax rate described below.

Income before minority interest was $300 million, compared with $251 million in the fourth quarter of fiscal 2003.

Free cash flow (operating cash flow net of property and equipment additions) was $291 million; operating cash flow was $393 million; and property and equipment additions were $102 million.

Fiscal Year 2004

Gross margin (gross profit as a percentage of net revenues) was 33.8 percent, compared with 36.5 percent for fiscal 2003, primarily due to the continued shift in the mix of the company's business to outsourcing and the accrual of a significant amount of variable compensation during the year compared to fiscal year 2003.

Selling, general and administrative costs were $2.83 billion, or 20.7 percent of net revenues, compared with $2.78 billion, or 23.5 percent of net revenues, for fiscal 2003.

Accenture accrued variable compensation expense of $277 million for the full year, compared with $11 million accrued in fiscal 2003.

Accenture's annual effective tax rate for the full fiscal year was 32.0 percent, down from the expected rate of 34.8 percent. The reduction in the annual effective tax rate was primarily the result of changes in Accenture's geographic mix of income and the related benefit of prior-year tax losses. Accenture's annual effective tax rate for the full fiscal year 2003 was 35.1 percent.

Free cash flow (operating cash flow net of property and equipment additions) was $1.47 billion; operating cash flow was $1.76 billion; and property and equipment additions were $282 million.

Accenture's total cash balance at Aug. 31, 2004 was $2.55 billion. Cash combined with $601 million of liquid fixed-income securities classified as investments on the company's balance sheet was $3.15 billion. Total debt at Aug. 31, 2004 was $34 million.

Bruno Decl. – Exhibit 22

Consulting and Outsourcing Net Revenues

Fourth Quarter 2004

- Consulting net revenues were $2.14 billion, or 63 percent of net revenues, an increase of 12 percent in U.S. dollars and 8 percent in local currency from the year-ago period.
- Outsourcing accounted for $1.28 billion, or 37 percent of net revenues, an increase of 17 percent in U.S. dollars and 13 percent in local currency from the year-ago period.

Fiscal Year 2004

- Consulting net revenues were $8.59 billion, or 63 percent of net revenues, an increase of 7 percent in U.S. dollars and flat year over year in local currency from fiscal year 2003.
- Outsourcing accounted for $5.08 billion, or 37 percent of net revenues, an increase of 35 percent in U.S. dollars and 28 percent in local currency from fiscal 2003.

Net Revenues by Operating Group

Net revenues for Accenture's five operating groups were as follows:

Fourth Quarter 2004

- Communications & High Tech: $913 million, compared with $849 million for the year-ago period, an increase of 8 percent in U.S. dollars and an increase of 5 percent in local currency.
- Financial Services: $725 million, compared with $578 million for the year-ago period, an increase of 25 percent in U.S. dollars and an increase of 21 percent in local currency.
- Government: $501 million, compared with $443 million for the year-ago period, an increase of 13 percent in U.S. dollars and an increase of 10 percent in local currency.
- Resources: $531 million, compared with $504 million for the year-ago period, an increase of 5 percent in U.S. dollars and an increase of 2 percent in local currency.
- Products: $751 million, compared with $642 million for the year-ago period, an increase of 17 percent in U.S. dollars and an increase of 13 percent in local currency.

Fiscal Year 2004

- Communications & High Tech: $3.74 billion, compared with $3.29 billion for fiscal year 2003, an increase of 14 percent in U.S. dollars and an increase of 8 percent in local currency.
- Financial Services: $2.77 billion, compared with $2.36 billion for fiscal 2003, an increase of 18 percent in U.S. dollars and an increase of 9 percent in local currency.
- Government: $1.99 billion, compared with $1.58 billion for fiscal 2003, an increase of 26 percent in U.S. dollars and an increase of 20 percent in local currency.
- Resources: $2.18 billion, compared with $1.97 billion for fiscal 2003, an increase of 11 percent in U.S. dollars and an increase of 3 percent in local currency.
- Products: $2.98 billion, compared with $2.61 billion for the fiscal 2003, an increase of 14 percent in U.S. dollars and an increase of 7 percent in local currency.

Net Revenues by Geographic Region

Net revenues by geographic region were as follows:

Fourth Quarter 2004

- Europe, Middle East and Africa (EMEA): $1.66 billion, compared with $1.33 billion for the year-ago period, an increase of 25 percent in U.S. dollars and an increase of 17 percent in local currency.
- Americas: $1.50 billion, compared with $1.48 billion for the year-ago period, an increase of 1 percent in U.S. dollars

and an increase of 1 percent in local currency.

- Asia Pacific: $258 million, compared with $201 million for the year-ago period, an increase of 28 percent in U.S. dollars and an increase of 22 percent in local currency.

Fiscal Year 2004

- Europe, Middle East and Africa (EMEA): $6.57 billion, compared with $5.35 billion for fiscal year 2003, an increase of 23 percent in U.S. dollars and an increase of 10 percent in local currency.
- Americas: $6.13 billion, compared with $5.67 billion for fiscal 2003, an increase of 8 percent in U.S. dollars and an increase of 7 percent in local currency.
- Asia Pacific: $968 million, compared with $794 million for fiscal 2003, an increase of 22 percent in U.S. dollars and an increase of 12 percent in local currency.

Business Outlook

First Quarter Fiscal 2005
For the first quarter of fiscal 2005, Accenture expects net revenues to be in the range of $3.5 billion to $3.7 billion and GAAP diluted earnings per share to be in the range of $0.28 to $0.31.

Fiscal Year 2005
For fiscal year 2005, Accenture expects net revenue growth to be in the range of 9 percent to 12 percent and GAAP diluted earnings per share to be in the range of $1.34 to $1.39. The company expects operating cash flow to be $1.85 billion to $2.05 billion; property and equipment additions to be $400 million; free cash flow to be in the range of $1.45 billion to $1.65 billion; and the annual effective tax rate to be in the range of 32 percent to 34 percent. Accenture also said that it is targeting new bookings for fiscal year 2005 in the range of $18 billion to $20 billion.

Share Repurchase Authorization

Accenture's Board of Directors has authorized the repurchase, redemption and exchange from time to time of up to an additional $3 billion of Accenture shares through the company's public share repurchase program and related to its ongoing Share Management Plan, through which it periodically redeems or acquires shares held by partners, former partners and their permitted transferees. The authorization requires that $1 billion of these funds be used in connection with the public share repurchase program. The timing and amount of the public share repurchases will be at the company's discretion and will be based on market conditions and other factors.

Senior Executive Compensation

Accenture is enhancing its compensation program for senior executives so it can continue to attract and retain the industry's most talented people and to closely align the interests of its senior executives and public shareholders. The enhanced program will be designed to provide Accenture's senior executives, a group of approximately 4,000 partners and associate partners around the world, greater opportunities to share in the company's long-term success.

As part of this program, in fiscal year 2005, Accenture will award up to $170 million worth of stock options to its highest-performing partners. Beginning in fiscal year 2006, the enhanced program for partners and associate partners will expand the use of equity in the form of restricted stock units, rather than cash or stock options, both as a reward at the time of a promotion and to recognize outstanding performance measured on an annual basis.

Accenture expects the annual incremental costs of these compensation changes to be approximately $80 million in fiscal 2006, rising to $200 million in fiscal 2008 as the programs phase in.

The company expects its share repurchase activities to be sufficient to offset any near-term dilution associated with the enhanced compensation program.

Standard & Poor's Core Earnings*

In order to provide investors with an additional perspective, Accenture presents core earnings using Standard & Poor's Core Earnings* methodology as well as reporting earnings on a GAAP basis. Accenture's S&P Core Earnings calculation principally reflects adjustments to add back minority interest, includes stock option and related compensation expense, excludes non-operational items such as net gains or losses on investments, and excludes reversals of restructuring charges into income.

For the fourth quarter of fiscal 2004, Accenture's core earnings were $291 million, or $0.30 per fully diluted share, compared with $227 million, or $0.23 per fully diluted share, for the comparable period of fiscal 2003. Accenture's core earnings per share of $0.30 for the fourth quarter of fiscal 2004 compare with reported GAAP fully diluted earnings per share of $0.30.

For fiscal year 2004, Accenture's core earnings were $1.11 billion, or $1.11 per fully diluted share, compared with $896 million, or $0.90 per fully diluted share, for fiscal year 2003. Accenture's core earnings per share of $1.11 compare with reported GAAP fully diluted earnings per share of $1.22, primarily reflecting stock option and employee share purchase plan expense and the exclusion of reorganization benefits from core earnings.

Accenture's core earnings were calculated in consultation with Standard & Poor's Corporate Value Consulting division to ensure consistency with the S&P Core Earnings* methodology. (A full reconciliation to GAAP earnings with notes is attached.)

Conference Call and Webcast Details

Accenture will host a conference call at 8:00 a.m. EDT today to discuss its fourth-quarter and full-year fiscal 2004 financial results. To participate, please dial +1 (888) 428-4480 [+1 (612) 326-1003] outside the United States, Puerto Rico and Canada] approximately 15 minutes before the scheduled start of the call. The conference call will also be accessible live on the Investor Relations section of the Accenture Web site at www.accenture.com.

A replay of the conference call will be available online at www.accenture.com and via telephone by dialing +1 (800) 475-6701 [+1 (320) 365-3844 outside the United States, Puerto Rico and Canada] and entering access code 749268 from 1:15 p.m. EDT Wednesday, Oct. 13 through 11:59 p.m. EDT Wednesday, Oct. 27.

About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills, and technologies to help clients improve their performance. With more than 100,000 people in 48 countries, the company generated net revenues of US$13.67 billion for the fiscal year ended Aug. 31, 2004. Its home page is www.accenture.com.

Forward-Looking Statements

This news release contains forward-looking statements relating to our operations and results of operations, the accuracy of which is necessarily subject to risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied include general economic conditions and the factors discussed under the "Risk Factors" heading in the Business section of our most recent annual report on Form 10-K filed with the Securities and Exchange Commission. Accenture undertakes no duty to update any forward-looking statements made in this news release or to conform such statements to actual results or changes in Accenture's expectations.

ACCENTURE LTD
CONSOLIDATED INCOME STATEMENTS
For the Three Months Ended August 31, 2004 and 2003
(In thousands of U.S. dollars, except share and per share data)
(Unaudited)

	2004		2003	
		% of Net Revenues		% of Net Revenues
REVENUES:				
Revenues before reimbursements (Net revenues)	$ 3,423,107	100%	$ 3,017,009	100%

Reimbursements	383,442	11	445,332	15
Revenues	3,806,549	111	3,462,341	115
OPERATING EXPENSES:				
Cost of services:				
Cost of services before reimbursable expenses	2,314,022	68	1,978,081	66
Reimbursable expenses	383,442	11	445,332	15
Cost of services	2,697,464	79	2,423,413	80
Sales and marketing	387,841	11	370,090	12
General and administrative costs	344,429	10	323,524	11
Restructuring costs and reorganization (benefit)	5,915	0	(4,781)	0
Total operating expenses	3,435,649	100	3,112,246	103
OPERATING INCOME	370,900	11	350,095	12
Gain on investments, net	(770)	0	2,567	0
Interest income	17,893	1	10,532	0
Interest expense	(5,074)	0	(4,747)	0
Other income (expense)	(426)	0	6,032	0
Equity in losses of affiliates	(236)	0	(552)	0
INCOME BEFORE TAXES	382,287	11	363,927	12
Provision for income taxes	82,676	2	112,752	4
INCOME BEFORE MINORITY INTEREST	299,611	9	251,175	8
Minority interest	(116,621)	(3)	(130,670)	(4)
NET INCOME	$ 182,990	5	$ 120,505	4
EARNINGS PER SHARE:				
Basic		$ 0.31		$ 0.26
Diluted		$ 0.30		$ 0.25
WEIGHTED AVERAGE SHARES:				
Basic		589,080,622		470,389,376
Diluted		986,250,253		996,778,954

ACCENTURE LTD
CONSOLIDATED INCOME STATEMENTS
For the Years Ended August 31, 2004 and 2003
(In thousands of U.S. dollars, except share and per share data)

	2004 (Unaudited)		2003	
		% of Net Revenues		% of Net Revenues
REVENUES:				
Revenues before reimbursements (Net revenues)	$ 13,673,563	100%	$ 11,817,999	100%
Reimbursements	1,440,019	11	1,579,241	13
Revenues	15,113,582	111	13,397,240	113
OPERATING EXPENSES:				
Cost of services:				
Cost of services before reimbursable expenses	9,057,246	66	7,508,059	64
Reimbursable expenses	1,440,019	11	1,579,241	13
Cost of services	10,497,265	77	9,087,300	77
Sales and marketing	1,488,333	11	1,458,484	12

General and administrative costs	1,340,467	10	1,319,567	11
Restructuring costs and reorganization (benefit)	28,891	0	(19,346)	0
Total operating expenses	13,354,956	98	11,846,005	100
OPERATING INCOME	1,758,626	13	1,551,235	13
Gain on investments, net	3,397	0	10,123	0
Interest income	59,939	0	41,130	0
Interest expense	(22,044)	0	(21,016)	0
Other income	160	0	31,754	0
Equity in losses of affiliates	(1,508)	0	(409)	0
INCOME BEFORE TAXES	1,798,570	13	1,612,817	14
Provision for income taxes	575,543	4	566,099	5
INCOME BEFORE MINORITY INTEREST	1,223,027	9	1,046,718	9
Minority interest	(532,199)	(4)	(548,480)	(5)
NET INCOME	$ 692,828	5	$ 498,238	4
EARNINGS PER SHARE:				
Basic		$1.25		$ 1.06
Diluted		$ 1.22		$ 1.05
WEIGHTED AVERAGE SHARES:				
Basic		553,298,104		468,592,110
Diluted		1,002,813,443		996,754,596

ACCENTURE LTD
SUMMARY OF REVENUES
For the Three Months and Years Ended August 31, 2004 and 2003
(In thousands of U.S. dollars)
(Unaudited)

	Three Months Ended August 31, 2004 2004	2003	% Increase/ (Decrease) US$	% Increase/ (Decrease) Local Currency	% of Total 2004 Net Revenues
OPERATING GROUPS					
Communication & High Tech	$ 913,244	$ 848,807	8%	5%	27%
Financial Services	724,810	577,941	25	21	21
Government	500,894	442,662	13	10	15
Products	750,817	642,159	17	13	22
Resources	531,054	503,667	5	2	15
Other	2,288	1,773	29	n/m	0
TOTAL Net Revenues	**3,423,107**	3,017,009	13	10	100
Reimbursements	383,442	445,332	(14)	-	-
TOTAL REVENUES	$ 3,806,549	$ 3,462,341	10	-	-
GEOGRAPHY					
Americas	$1,503,012	$ 1,484,510	1	1	44
EMEA	1,661,709	1,331,175	25	17	48
Asia Pacific	258,386	201,324	28	22	8
TOTAL Net Revenues	**3,423,107**	3,017,009	13	10	100
Reimbursements	383,442	445,332	(14)	-	-
TOTAL REVENUES	$ 3,806,549	$ 3,462,341	10	-	-

	Year Ended August 31, 2004 2004	2003	% Increase/ (Decrease) US$	% Increase/ (Decrease) Local Currency	% of Total 2004 Net Revenues
OPERATING GROUPS					
Communication & High Tech	$ 3,741,451	$ 3,290,372	14%	8%	27%
Financial Services	2,770,990	2,355,321	18	9	20
Government	1,994,655	1,581,758	26	20	15
Products	2,978,892	2,613,303	14	7	22
Resources	2,178,569	1,966,043	11	3	16
Other	9,006	11,202	(20)	n/m	0
TOTAL Net Revenues	**13,673,563**	11,817,999	16	9	100
Reimbursements	1,440,019	1,579,241	(9)	-	-
TOTAL REVENUES	$ 15,113,582	$ 13,397,240	13	-	-
GEOGRAPHY					
Americas	$ 6,133,081	$ 5,671,026	8%	7%	45%
EMEA	6,572,011	5,352,850	23	10	48
Asia Pacific	968,471	794,123	22	12	7
TOTAL Net Revenues	**13,673,563**	11,817,999	16	9	100
Reimbursements	1,440,019	1,579,241	(9)	-	-
TOTAL REVENUES	$ 15,113,582	$ 13,397,240	13	-	-
n/m = not meaningful					

ACCENTURE LTD
CONSOLIDATED BALANCE SHEETS
August 31, 2004 and 2003
(In thousands of U.S. dollars)

	August 31, 2004 (Unaudited)	August 31, 2003
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 2,552,958	$ 2332,161
Restricted cash	-	83,280
Short-term investments	285,288	-
Receivables from clients, net	1,662,211	1,416,153
Unbilled services	1,014,870	828,515
Other current assets	581,062	377,102
Total current assets	6,096,389	5,037,211
NON-CURRENT ASSETS:		
Investments	340,121	33,330
Property and equipment, net	643,946	650,455
Other non-current assets	907,223	738,244
Total non-current assets	1,891,290	1,422,029
TOTAL ASSETS	$ 7,987,679	$ 6,459,240
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Short-term debt	$ 31,715	$ 46,162

Accounts payable	523,931	573,201
Deferred revenues	980,461	676,841
Accrued payroll and related benefits	1,508,126	974,319
Other accrued liabilities	1,368,751	1,037,800
Total current liabilities	4,412,984	3,308,323
NON-CURRENT LIABILITIES:		
Long-term debt	2,161	13,955
Other non-current liabilities	1,159,765	1,381,326
Total non-current liabilities	1,161,926	1,395,281
MINORITY INTEREST	940,963	924,094
EQUITY:		
Shareholders' equity	1,471,806	831,542
Total equity	1,471,806	831,542
TOTAL LIABILITIES AND EQUITY	$ 7,987,679	$ 6,459,240

ACCENTURE LTD
CORE EARNINGS CALCULATION USING STANDARD & POOR'S CORE EARNINGS* METHODOLOGY
For the Three Months Ended August 31, 2004 and 2003
(In thousands of U.S. dollars)
(Unaudited)

	2004	2003	Notes
Net Income	$ 182,990	$ 120,505	
S&P Core Earnings* Adjustments			
Minority interest relating to Accenture SCA and Accenture Canada Holdings, Inc. (net of tax)	115,089	130,443	[A]
	298,079	250,948	
Include:			
Employee stock option and share purchase plan expense	(30,842)	(37,560)	[B]
Pension adjustments	13,763	2,006	[C]
Exclude:			
Gain on investments, net, excluding SFAS 133	1,829	(2,331)	[D]
(Gain) Loss on disposal of property and equipment	1,036	8,707	[E]
Reversals of charges relating to prior-period reorganization costs	5,915	(4,781)	[F]
S&P Core Earnings* Adjustments before taxes	(8,299)	(33,959)	
Tax effect	1,362	10,008	[G]
S&P Core Earnings* Adjustments, net	(6,937)	(23,951)	
S&P Core Earnings*	$ 291,142	$ 226,997	
EPS, S&P Core Earnings* (Diluted)	$ 0.30	$ 0.23	
EPS, GAAP (Diluted)	$ 0.30	$ 0.25	
Weighted Average Diluted Shares Outstanding	986,250,253	996,778,954	[H]
S&P Core Earnings* and EPS, S&P Core Earnings* (Diluted) are non-GAAP financial measures.			

ACCENTURE LTD
CORE EARNINGS CALCULATION USING STANDARD & POOR'S CORE EARNINGS* METHODOLOGY
For the Years Ended August 31, 2004 and 2003
(In thousands of U.S. dollars)
(Unaudited)

	2004	2003	Notes
Net Income	$ 690,828	$ 498,238	
S&P Core Earnings* Adjustments			
Minority interest relating to Accenture SCA and Accenture Canada Holdings, Inc. (net of tax)	529,672	549,507	[A]
	1,220,500	1,047,745	
Include:			
Employee stock option and share purchase plan expense	(137,131)	(182,320)	[B]
Pension adjustments	49,102	(9,940)	[C]
Exclude:			
Gain on investments, net, excluding SFAS 133	(3,616)	(10,534)	[D]
(Gain) Loss on disposal of property and equipment	8,596	2,826	[E]
Reversals of charges relating to prior-period reorganization costs	(78,365)	(19,346)	[F]
S&P Core Earnings* Adjustments before taxes	(161,414)	(219,314)	
Tax effect	49,638	67,644	[G]
S&P Core Earnings* Adjustments, net	(111,776)	(151,670)	
S&P Core Earnings*	$ 1,108,724	$ 896,075	
EPS, S&P Core Earnings* (Diluted)	$ 1.11	$ 0.90	
EPS, GAAP (Diluted)	$ 1.22	$ 1.05	
Weighted Average Diluted Shares Outstanding	1,002,813,443	996,754,596	[H]
S&P Core Earnings* and EPS, S&P Core Earnings* (Diluted) are non-GAAP financial measures.			

NOTES TO STANDARD & POOR'S CORE EARNINGS* ADJUSTMENTS
(Unaudited)

[A] Some of our partners and former partners and their permitted transferees own shares in our subsidiary Accenture SCA and in our subsidiary Accenture Canada Holdings, Inc., which are non transferable except by exchange for shares in Accenture Ltd (or for cash at the Company's option). The shareholders of Accenture SCA and Accenture Canada Holdings, Inc. have substantially the same rights and economic interests as Accenture Ltd shareholders and are subject to the same restrictions. In addition, we view and operate the business as a single enterprise. We similarly focus on the results of Accenture as a whole as we believe that this better reflects the substance of the overall Accenture corporate structure. Therefore, the minority interest related to these shareholders is added back to Net Income. Net income before Minority interest is also consistent with diluted shares, which assume the conversion of all minority Accenture SCA and Accenture Canada Holdings Inc. shares on a one for one basis.

[B] As we elect to follow Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," in accounting for employee stock options and share purchase rights rather than the alternative fair value accounting provided for under SFAS No. 123, "Accounting for Stock-Based Compensation," in which stock options and share purchase rights are expensed, we have deducted the amount as computed under SFAS No. 123 in accordance with the S&P Core Earnings* methodology. The impact of income taxes and minority interests is shown in the following table:

	Three Months Ended August 31,		Year Ended August 31,	
	2004	**2003**	**2004**	**2003**
Employee stock options and share purchase rights expense, before tax and minority interest	$ 30,842	$ 37,560	$ 137,131	$ 182,320

Income tax benefit	(9,252)	(11,268)	(41,139)	(54,696)
Minority interest	(8,336)	(13,667)	(41,893)	(66,888)
Employee stock option and purchase plan expense, net of tax and minority interest	$ 13,254	$ 12,625	$ 54,099	$ 60,736

[C] Under the S&P Core Earnings* methodology, pension service costs and interest costs (to the extent that interest cost exceeds actual returns on assets) are included in the Company's core earnings. Other items, such as expected returns on plan assets and amortization of gains and losses and prior service costs, are not included in the S&P Core Earnings* methodology. Pension expense computed under generally accepted accounting principles has been adjusted to reflect service costs, interest costs, and actual returns on pension plan assets.

[D] Under the S&P Core Earnings* methodology, investment gains and losses are not considered a part of the Company's normal, or core, business. As such, these items are excluded from S&P Core Earnings*. No adjustment is required for SFAS 133 items for purposes of calculating S&P Core Earnings*. The adjustment represents Gain (loss) on investments, net, as reported under generally accepted accounting principles adjusted for SFAS No. 133 gains of $1,059 and $236 for the three months ended August 31, 2004 and 2003, respectively, and losses of $219 and $410 for the years ended August 31, 2004 and 2003, respectively.

[E] Under the S&P Core Earnings* methodology, gains and losses on disposal of property, plant and equipment are excluded from core earnings.

[F] In connection with our transition to a corporate structure in 2001, Accenture recorded tax related re-organization costs of $455 million. For the three months and year ended August 31, 2004, Accenture recorded expense of $6 million and a benefit of $78 million, respectively, related to this charge. In fiscal 2003, Accenture released $19 million net of interest related to this charge. Under the S&P Core Earnings* methodology, amounts relating to restructuring charges recorded in prior periods do not relate to the on-going operations and are excluded from the calculation of core earnings. Previously reported core earnings for the fourth quarter of fiscal 2003 have been restated to conform to the current-year presentation.

[G] Under the S&P Core Earnings* methodology, we have applied the statutory federal tax rate of 35% to the S&P Core Earnings* adjustments with the exception of stock options and share purchase rights. Stock options and share purchase rights are tax affected using a 30% tax rate, which is consistent with the rate used in our financial statement disclosures and represents our best estimate of the tax benefit related to stock options and share purchase rights.

[H] Diluted shares outstanding represent average shares outstanding for purposes of computing Diluted Earnings Per Share under generally accepted accounting standards, as well as Diluted Earnings Per Share under S&P Core Earnings* methodology.

* Standard & Poor's Corporate Value Consulting ("S&P CVC") has reviewed Accenture's calculation of Core Earnings for consistency with Standard & Poor's Core Earnings methodology. This review was based solely on financial information generated by Accenture; Standard & Poor's has not conducted any review or undertaken to investigate or verify, and is not responsible for, the basis, adequacy, accuracy or completeness of the information used in Accenture's calculation of Core Earnings. Standard & Poor's review has been limited solely to the application of the Standard & Poor's Core Earnings methodology to the specific financial information generated, prepared and provided by Accenture; Standard & Poor's makes no representation as to the adequacy or accuracy of Accenture's financial information used in the calculation. Standard & Poor's has no duty to update its review of Accenture's calculation of Core Earnings. Standard & Poor's Core Earnings methodology is published on Standard & Poor's web site at www.standardandpoors.com.

To view the full news release, including financial tables, download the PDF.

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Home > Commentary > Moore > **Accenture's Consulting Rebound Could Help Integrators**

Accenture's Consulting Rebound Could Help Integrators

By John Moore, *Ziff Davis Internet*

July 9, 2004

The company says in its earnings report that its consulting business is picking up steam while its outsourcing business seems to have crested for now. Is the big-player integrator business world changing?

If Accenture's recent financial results prove an accurate barometer, integrators may be in for a shifting business climate.

Global management consulting, technology services and outsourcing giant **Accenture** released results Wednesday for its fiscal third quarter, which ended May 31. During a teleconference discussion of the company's financials, executives pointed to a couple of interesting trends.

To summarize, Accenture's consulting services business is rebounding, while the high growth of its outsourcing business may have crested for the time being.

Joe Forehand, chairman and CEO at Accenture, reported "a continued pickup of our consulting business" during the analyst call. This increase is reflected in both new business and new hiring. According to Forehand, the company expects to see a net increase in consulting hires in fiscal 2005—something that hasn't happened in recent years.

Forehand characterized hiring as aggressive, noting that the company is recruiting from college campuses. Accenture was a dependable on-campus

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presence during the boom years of the 1990s.

Bill Green, Accenture's chief operating officer for client services, said the company's consulting business is seeing particular growth in the supply chain and customer services sectors, as well as merger and acquisition integration work.

He said complex integration deals also have started to make a comeback. Green described the activity as classic envision/architect/design/build work. Over the past several years, organizations haven't spent much money on such projects, he added.

The financial community has noted consulting's return. In a recent research note, **Robert W. Baird & Co.** said it expected Accenture's consulting upswing to continue in coming quarters.

eWEEK.com Special Report: Earnings Roundup

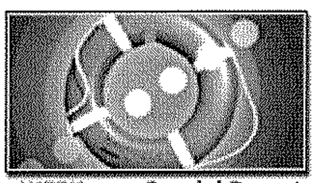
The uptick in consulting and complex deals is not just music to integrators' ears. Resellers who have migrated their businesses upstream in recent years should be encouraged as well.

Accenture's outsourcing business, meanwhile, is "likely to grow at a slower rate" than in previous quarters, noted Harry You, Accenture's chief financial officer. Outsourcing revenue from the company's telecommunications and high-tech business segment had been expanding at a rapid pace. That growth, You said, reflected where the industry stood in the business cycle "relative to the Internet bubble."

Tech companies driven to cut costs have employed outsourcing as a way to boost efficiency. Accenture's business with them grew accordingly. Accenture won outsourcing deals in a similar fashion during an earlier economic upheaval, as the leverage buyout craze of the 1980s spurred outsourcing as companies looked to take assets—such as data centers—off their balance sheets.

But while Accenture's outsourcing operation may cool, company executives said the business will continue to deliver strong revenue growth. Industry watchers back up this premise, with both Gartner Group and International Data Corp. saying they expect outsourcing to outpace consulting services.

IDC reported in June that "spending on outsourcing of both business processes and IT will grow significantly faster than spending on project services such as consulting."



eWEEK.com Special Report: Outsourcing the Enterprise

Forthcoming financial reports from integrators such as BearingPoint should throw additional light on consulting and outsourcing trends.

Overall, Accenture has been nailing some large contracts as of late. During the third quarter, Accenture won two deals worth between $100 million and $200 million and four deals worth in excess of $50 million.

On June 1, the Department of Homeland Security announced its selection of Accenture to build the nation's entry/exit system. The U.S. Visitor and Immigrant Status Indicator Technology program (U.S. VISIT), could be worth as much as $10 billion over a decade.

But while new deals arrive, other projects are subject to restructuring. The Wall Street Journal reported in June that cutback in AT&T's consumer telephone operations would affect suppliers such as Accenture. You said Accenture and AT&T are working together to "redefine the scope" of some of the work Accenture performs for the telecom company's consumer business.

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News Release

FOR RELEASE MONDAY, MAY 24, 2004

Accenture and AT&T Team to Provide Managed Messaging Solutions to Businesses and Government Agencies

New York and Bedminster, NJ; -- Accenture (NYSE: ACN) and AT&T (NYSE: T) today announced that the two companies have formed an alliance to market and deliver managed messaging solutions on a global basis to large and medium enterprises and U.S. government agencies. The offering, Enterprise Messaging Service, is designed to significantly reduce the total cost of ownership of an organization's E-mail and other messaging platforms.

The Enterprise Messaging Service includes hosted messaging services based on the latest Microsoft Exchange Server platform and provides a foundation for future optional, advanced capabilities such as enterprise-class secure instant messaging and unified communications. By using these services, enterprise and government customers can continue to enjoy the same functionality but with AT&T and Accenture managing and administering the service on their behalf. Customers also gain the benefit of receiving the latest versions of software and security upgrades automatically.

The new service combines the strengths of two of the world's largest and most experienced technology service providers, bringing together Accenture's technology integration capabilities with AT&T's hosting and networking integration expertise. The offering builds on AT&T's growing portfolio of application networking services by working with best-in-class providers like Accenture to make it easier for customers to deploy and manage critical business applications securely and reliably.

Andy Efstathiou, Technology Management Strategies Program Manager at Yankee Group said; "Being able to access a full suite of communications solutions combined into a single offer, with a single point of contact is good news for most busy IT departments. By outsourcing Exchange Messaging, enterprises will be able to deliver a lower total cost of ownership and continue to use the Microsoft Exchange platform which is used widely by enterprises today."

"Accenture is highly experienced in the delivery of messaging solutions, having recently completed its own conversion of mailboxes," said Bill Gourgey, a partner in Accenture's Communications & High Tech operating group. "AT&T is one of the largest managed service providers in the world, offering one of the highest levels of security for hosted applications."

AT&T and Accenture's Enterprise Messaging Service provides access to the latest messaging technologies and an efficient means for managing messaging applications for large numbers of geographically dispersed employees. AT&T and Accenture will provide an integrated messaging solution which includes management, monitoring, infrastructure, and network services, helping our customers derive the maximum value from their IT investment.

"By forming strategic alliances with industry-leading providers, such as Accenture, we can offer our customers one-stop shopping for their complex application networking needs," said Eric Shepcaro, AT&T Vice President of Emerging Services. "Our combined offering is specifically designed to allow customers' internal IT departments to focus on more strategic initiatives."

About Accenture
Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills, and technologies to help clients improve their performance. With

approximately 90,000 people in 48 countries, the company generated net revenues of US$11.8 billion for the fiscal year ended Aug. 31, 2003. Its home page is www.accenture.com.

Other product or service names mentioned herein are the trademarks of their respective owners.

About AT&T

For more than 125 years, AT&T (NYSE 'T') has been known for unparalleled quality and reliability in communications. Backed by the research and development capabilities of AT&T Labs, the company is a global leader in local, long distance, Internet and transaction-based voice and data services.

AT&T 'Safe Harbor'

The foregoing contains 'forward-looking statements' which are based on management's beliefs as well as on a number of assumptions concerning future events made by and information currently available to management. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside AT&T's control, that could cause actual results to differ materially from such statements. These risk factors include the impact of increasing competition, continued capacity oversupply, regulatory uncertainty and the effects of technological substitution, among other risks. For a more detailed description of the factors that could cause such a difference, please see AT&T's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. AT&T disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This information is presented solely to provide additional information to further understand the results of AT&T.

For more information, reporters may contact:

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WC Docket No. 05-25

EXHIBIT 23

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the year ended December 31, 2004

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 1-16411

NORTHROP GRUMMAN CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization)	**95-4840775** (I.R.S. Employer Identification Number)

1840 Century Park East, Los Angeles, California 90067
www.northropgrumman.com
(Address of principal executive offices and internet site)
(310) 553-6262
(Registrant's telephone number, including area code)
Securities registered pursuant to section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $1 par value	New York Stock Exchange Pacific Exchange
Series B Convertible Preferred Stock	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2).

Yes ☒ No ☐

As of June 30, 2004, 357,959,403 shares of Common Stock were outstanding, and the aggregate market value of the Common Stock (based upon the closing price of the stock on the New York Stock Exchange) of the registrant held by

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NORTHROP GRUMMAN CORPORATION

Discontinued Operations – During the third quarter of 2002, the company announced its int the businesses comprising its CT segment. As a result, these businesses were classified as d operations beginning in the third quarter of 2002. Since that announcement, the company ha three of the CT businesses. The remaining operations consist of a manufacturer of complex boards, an electronic connector manufacturer, and a European-based marketing group. Duri quarter of 2004, the company suspended its efforts to sell these businesses. Accordingly, th liabilities, and results of operations of these businesses have been reclassified from disconti continuing operations for all periods presented. These businesses are reported under the seg "Other." For additional information, see Notes 5 and 6 to the Consolidated Financial Statem Item 8.

Realignment – Effective January 1, 2004, the company realigned businesses among three of segments that possess similar customers, expertise, and capabilities. The realignment more existing capabilities and enhances development and delivery of highly integrated informatic services. Mission Systems' Global Information Technology, Civil Systems, and Mission Sy businesses were transferred to the Information Technology segment. Prior to January 1, 200 business areas comprised Mission Systems' Federal & Civil Information Systems business. Mission Systems (DMS) business within the Information Technology segment was transferr Mission Systems segment. Prior to January 1, 2004, DMS was contained within Informatio Government Information Technology business. The Command, Control & Intelligence Syst area of the Missions Systems segment transferred its Unmanned Air Vehicle business to the Systems business area within the Integrated Systems segment. This realignment resulted in 2003 sales of $104 million for the Information Technology sector, an increase of $57 millio Mission Systems sector, and an increase of $47 million for the Integrated Systems sector. F realignment resulted in a decrease in sales of $764 million for the Information Technology increase of $764 million for the Mission Systems sector. For comparative purposes, all segn information contained within this Form 10-K has been restated to reflect this realignment.

Effective January 1, 2005, the company transferred management responsibility for two of th remaining CT businesses to the Electronic Systems segment. These businesses consist of a complex printed circuit boards and an electronic connector manufacturer. The effect of this the Electronic Systems segment's sales and operating margin is not significant.

Reclassifications – Certain amounts for 2003 and 2002 have been reclassified to conform to presentation.

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September 14, 2004

USAF To Dole Out $9 Billion On Beefed Up Network

The U.S. Air Force has announced contractors selected for its massive $9 billion IT Network Centric Solutions (NETCENTS) program.

By W. David Gardner, TechWeb News Networking Pipeline

The U.S. Air Force has announced contractors selected for its massive $9 billion IT Network Centric Solutions (NETCENTS) program.

The program will cover contracts for "information technology, networking, telephony and security, voice, video and data communications, commercial off-the-shelf products, system solutions and systems hardware and software," the Department of Defense said.

Due to its large size, contracts will be broken down into smaller contracts, said Juli Ballesteros, spokeswoman for Northrop Grumman Corp., one of the lead contractors.

"Companies will compete with each other through task orders," she said.

Northrop Grumman's Information Technology sector will compete for task orders " individual subcontracts " in areas ranging from network engineering and software development to IT infrastructure modernization and integration. The Northrop unit will also bid for work on information storage and management as well as security and telephone services.

Additional lead contractors include the Centech Group, Multimax, NCI, Booz-Allen Hamilton, General Dynamics, and Lockheed-Martin. Most of the contractors have formed teams consisting of additional firms, Ballesteros said. For instance Northrop Grumman has teamed up with Computer Sciences Corp., Germany's T-Systems, and Dell Inc. The Northrop Grumman team also includes 24 small business partners.

A team headed by Lockheed Martin includes Lucent Technologies, IBM Global Services, SBC Communications and Avaya. General Dynamics' team includes Accenture, Boeing, Raytheon and

Unisys.

In a statement, General Dynamics said its Network Systems team will "offer system integration solutions and services enabling the enhancement of Air Force data networks, telephony, security, an information technology. Additionally, nearly 80,000 commercial-off-the-shelf information technology products will be available."

All work on the project is expected to be completed by September 2009.

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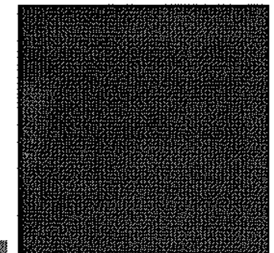

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EXHIBIT 24

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FCW.COM

Friday, June 10, 2005

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20 top systems integrators

BY Michael Hardy
Published on Sept. 20, 2004

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There are no free lunches here: Systems integrators in the federal market have earned their top spots through years of planning, investment and preparation. Led by Computer Sciences Corp., which climbed from fourth place in fiscal 2001 to first in fiscal 2003, the companies all have undertaken sweeping — and sometimes tumultuous — projects in recent years.

But achieving and maintaining success is not simple, officials at the companies said. As the disclaimer on any investment prospectus states: Past performance is no guarantee of future results.

Likewise, although a good track record is essential for continued success, it is no guarantee. Systems integration is an ever-changing playing field. Company leaders have to read the market, stay ahead of customer demands, keep up with changing technologies and stay on the lookout for good partner companies.

And even bad experiences, such as CSC's struggles with modernization projects at the FBI and the Internal Revenue Service, can turn into positive ones for companies that are willing to learn from mistakes.

"Most of those situations, when you finally get down to looking at it, turn out to be as much a matter of something wrong on the government side as on the contractor side," said Phil Kiviat, a consultant with Guerra, Kiviat, Flyzik and Associates Inc. "Generally, it is something to do with a requirements change or a requirements misunderstanding, something like that. It very, very seldom is a one-

RELATED LINKS

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"Feds launch bioinformatics centers" [Federal Computer Week, Aug. 2, 2004]

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sided thing."

Smart company leaders, though, strive to prevent similar problems in the future, he said. "These are serious things," Kiviat said. "Companies are very concerned about it for past-performance implications."

"CSC's guiding hand" [Federal Computer Week, June 28, 2004]

"SAIC reorganizes" [FCW.com, Jan. 8, 2004]

Officials at Eagle Eye Publishers Inc. came up with the top integrators by measuring orders on certain industry codes that the firm's analysts considered to be systems integration. The boundaries between systems integration, product integration and other information technology services are not always sharply defined, however. That is why some surprising names, such as hardware developer Dell Inc. and reseller GTSI Corp., appear on the list. Changing definitions can allow companies to be listed.

Here is a look at the stories behind the successes of the top five integrators.

1. Computer Sciences Corp.: In for the long haul

CSC takes the list's top spot, with $3.1 billion in sales, thanks to vision and long-term preparation, said Paul Cofoni, president of the company's federal sector.

"This doesn't happen in a year," he said. "These kinds of results end up being the consequence of years of planning and implementation of plans. When we took a look at our marketplace some years ago, the one obvious need we saw was the need for the government marketplace to move toward best practices."

CSC has a thriving commercial business, Cofoni said, so when he took over the federal side, he formed a consulting practice to tap that private-sector expertise.

"We've built it over the last two years," he said. "We started bringing our commercial consulting people over to the federal side of the business. The purpose was to take the learning we've had over on the commercial side" and apply it to federal business. Commercial practices such as e-business have become increasingly important in the federal world, he added.

About 300 people are active in the consulting practice now, but Cofoni expects that number to grow to 2,000 by 2007.

The growth is rapid, he said, "but that's what we need to do. Today I have 40,000 people working in the federal government."

"We haven't just turned [the consultants] loose," he added. "We've married them with a group of federal people who were, by their own rights, consultants. So, it's a blended operation, not just commercial consultants transplanted into federal."

Predicting the future is difficult, but Cofoni said he believes that he and other company officials have made the right choices during the past few years. "We made some course corrections, but, more or less, the things we had forecast are starting to happen," he said. "Some things are happening slower than we would have expected."

For example, the government's move toward outsourcing work through competitive sourcing has been slower than he had expected, Cofoni said.

"It'll end up going all the way," he said. "It's just a matter of time. The largest impediment at the time is that people working as civil servants in government have a fear about what it means for them, and the organizations that represent them represent that fear. I think we have to get over that fear about 'What happens to me?' "

2. Northrop Grumman Information Technology: Smart shopping fuels growth

Northrop Grumman Corp.'s systems integration activities come from the company's IT and Mission Systems divisions. They represent a decade of transformation at the company, said Jon Korin, director of strategic development at Northrop Grumman IT.

The company was primarily an aircraft manufacturer until the early 1990s, he said. Now, it rakes in a third of its $28 billion in annual revenue from IT-related work. Eagle Eye's data show that $2 billion of that comes from integration work.

Northrop Grumman IT leaders paid attention to how the Defense Department was evolving, he said, and they began making acquisitions to meet those emerging demands. Important acquisitions included TRW Inc., a venerable integrator, in 2002. Before that, the company had acquired Logicon Inc., Federal Data Corp., Sterling Software Inc.'s federal operations and Litton Industries Inc.

"I think we've pretty solidly established ourselves," Korin said.

The strength that company officials built through the IT-oriented acquisitions played a role in the company's September 2003 win of the $281 million Defense Integrated Military Human Resources System (DIMHRS) contract, he said. The company's role in DIMHRS is to develop and implement a sweeping human resources system to replace 88 existing systems.

"It sort of had everything going for it," he said. "We have a big presence in the DOD in general. We have a pretty strong legacy in HR and financial systems in DOD." And with a large implementation of PeopleSoft Inc. Human resources software at the Treasury Department to point to, the company also had a solid past-performance record, he said.

Korin has deliberately spread the company's activities across five market segments, including government, he added. "It gives us good portfolio balance if budgets shift around," he said. "We're less vulnerable."

3.Science Applications International Corp.: A matter of discipline

Science Applications International Corp. has held the No. 3 spot for three years, and officials attribute their success to years of preparation.

SAIC executives have developed tight disciplines to govern the work of various internal organizations, and they have validated that work by evaluating those organizations using the Capability Maturity Model (CMM) or Capability Maturity Model Integrated (CMMI) systems.

Those ratings, which agency officials are increasingly interested in and writing into contract requirements, show that officials at a company have put thought and planning into the processes they use in software development and integration work, said Duane Andrews, president and chief operating officer of SAIC's federal division.

Based on an outside auditor's evaluations against criteria maintained by the Software Engineering Institute at Carnegie Mellon University, organizations receive a rating from one to five, with five as the best score.

"We have a lot more fours than we have fives, but we're talking about thousands of software developers in those ratings," Andrews said. "We've proven over and over again to ourselves, and I think to the customer, that strong CMM and CMMI qualifications, when they're used, really do enhance the quality of the product."

SAIC is hardly the only integrator to boast of CMM or CMMI ratings, of course. For SAIC, though, the ratings help individual units stand out in the eyes of agency customers, he said. The company is a diverse amalgamation of technology development and integration, among other practices.

Andrews said he keeps the company focused on larger opportunities to make full use of SAIC's size and breadth. About two-thirds of the company's business comes from DOD, he said.

"Those agencies that don't have the higher-end integration opportunities, you won't see us bidding there," he said.

4. EDS: Making experience count

Kevin Durkin, senior vice president of sales and marketing at EDS, said the company accomplished its fourth-place ranking through experience — including troubled engagements such as the Navy Marine Corps Intranet, which could have been disastrous had company officials not learned from their mistakes with that experience.

In serving as the prime contractor of the NMCI project, EDS officials have weathered their share of bad publicity. But Durkin said they have been able to turn the experience into a plus.

"We're doing one of the largest desktop outsourcings ever done" at NMCI, he said. "It has been an incredible experience for EDS. What we've been able to do is leverage that knowledge. It has not been a drag at all."

The company also has benefited from having an extensive

private-sector portfolio, including large customers such as General Motors Corp., he said. As federal agencies have increasingly adopted commercial practices, EDS officials have been ready to adapt.

In 2003, "things were changing rapidly," he said. "The government was going to performance-based [contracting]. In the private sector, we're used to that, and in the government, it wasn't the norm."

Performance-based contracting means that customers set goals for a project, and the contractor team must figure out how to meet those goals. Unlike more traditional contracts, in which customers simply order a list of tasks and products, performance-based contracts require the contractor to act as a partner with the agency.

"We really listened to the client and what they're trying to achieve," Durkin said. "What's happening in government, [which] EDS is really well positioned for because we've been doing it for 30 years, is large-scale enterprise integration."

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But EDS still benefited from some shrewd preparation, he said. In 2001 and 2002, officials reorganized the company so that all the activities that involve customer interaction were performed by the same internal group.

"It's working great," he said. "We have a team approach and everyone on the team is pulling in the same direction."

5. Dell Inc.: Putting services on the menu

Dell Inc.'s name on a systems integrator list — with $822 million in sales, qualifying the company for fifth place — may seem surprising. But officials at the computer developer have created an active professional services division that continues to grow, said Tom Buchsbaum, vice president of the company's federal systems.

"Dell's direct [sales] model, which gives us a lot of direct contact with customers every day, gave us an intimacy with the customers that you wouldn't find in a company that is just shipping product," he said.

Company officials have always tried to identify customers' needsbeyond mere products and meet those needs, Buchsbaum said. But even with that emphasis, the move into services was gradual and has been more obvious in foreign countries serving U.S. outposts.

"A very large portion of our federal government opportunities are outside the contiguous U.S.," he said. "They do require some logistics, capability and reach that are outside of what you'd typically consider a box provider having. We have customers [who] can't go without support."

Only recently, though, have company officials emphasized developing the services side of the business, Buchsbaum added.

"We've consistently offered services in one form or another, but the focus had always been very close to the products themselves," he said. "It's in the last four years that Dell has put a lot of focus on ...services in the field that go far beyond the break/fix arena."

Now, company officials are learning to negotiate the ever-shifting world of competition and cooperation with other firms, he said.

"If I had to be an integrator and be tied to the kind of products and supply-chain engine that Dell has, I wouldn't see that as being a constraint at all," Buchsbaum said.

But customers usually need solutions that take more than one vendor to deliver. "In one opportunity, we may be best buddies with the provider of the equipment, and in another opportunity, we may be bitter competitors," he said.

Crunching the numbers

Analysts at Eagle Eye Publishers Inc. determined the integration-related purchases from companies using contract data. First, they looked for specific industry classifications that denote systems integration work, and then they extracted the full value for each contract.

Paul Murphy, Eagle Eye's president, said this double pass method developed from industry suggestions. In the past, analysts simply would use the dollars associated with what was specifically defined as integration work. Industry officials urged Murphy to revise the method, saying there was more to systems integration work than those codes indicated.

"Contracts they considered to be systems integration contracts were not showing up," he said. "They gave us a list of contracts they considered to be systems integration. We found that in most cases they had these [integration-related] codes, but the codes accounted only for a small percentage of the contract."

Source: Eagle Eye Publishers Inc.

RANK FY 2003	RANK FY 2002	COMPANY	FY 2003 SALES (IN MILLIONS)	FY 2002 SALES (IN MILLIONS)	PERCENT CHANGE	MARKET SHARE
1	2	Computer Sciences Corp.	$3,146.2	$1,393.3	125.8%	21.2%
2	1	Northrop Grumman Corp.	2,025.3	1,588.6	27.5	13.6
3	3	Science Applications International Corp.	1,469.0	1,175.4	25.0	9.9
4	4	EDS	1,046.7	889.1	17.7	7.0
5	5	Dell Inc.	822.1	718.8	14.4	5.5
6	6	Lockheed Martin Corp.	754.0	648.7	16.2	5.1
7	10	Booz Allen Hamilton Inc.	574.3	411.0	39.7	3.9
8	8	GTSI Corp.	538.7	466.8	15.4	3.6
9	12	Accenture	502.0	344.6	45.7	3.4
10	14	IBM Corp.	482.1	265.3	81.7	3.2
11	18	Anteon Corp.	467.8	225.1	107.8	3.1
12	7	Affiliated Computer Services Inc.	467.7	534.6	-12.5	3.1
13	13	General Dynamics Corp.	428.2	278.1	54.0	2.9
14	11	Titan Corp.	400.8	407.5	-1.6	2.7
15	15	BearingPoint Inc.	396.2	240.0	65.1	2.7
16	19	CACI International Inc.	345.9	216.2	60.0	2.3
17	9	Raytheon Co.	318.4	435.8	-26.9	2.1
18	17	SRA International Inc.	179.5	227.8	-21.2	1.9
19	21	Unisys Corp.	212.2	178.7	18.7	1.4
20	27	BAE Systems	193.5	139.7	38.5	1.3

Thursday, June 9, 2005

General Dynamics wins Pentagon contract

BY Frank Tiboni

Published on Aug. 13, 2004

More Related Links

The Army awarded a $5 million contract to General Dynamics Corp. yesterday to build an information technology infrastructure in some areas of the Pentagon as part of the building's multiyear renovation program.

Officials in General Dynamics' unit in Needham, Mass., will survey, plan, design and install an IT systems and infrastructure for tenants in wedges 2 to 5 in the Pentagon. They will complete the work by 2010, according to an Aug. 12 Defense Department contracts statement.

The Pentagon building consists of five sides called wedges. The Pentagon Renovation Program involves 4 million square feet of space to bring the building into compliance with construction, disability and fire codes.

The project started in 2001 and will finish in 2010. The Sept. 11, 2001, terrorist attack on the building led program manager to reassess and upgrade project design criteria in many areas, according to the Pentagon Renovation and Construction program's Web site.

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WC Docket No. 05-25

EXHIBIT 25

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EXPERIENCE. RESULTS.

At a Glance

Computer Sciences Corporation (CSC)
2100 East Grand Avenue
El Segundo, CA 90245
USA
(+1) 310.615.0311
generalinformation@csc.com

Global Services:
From front-end consulting and planning to systems integration and outsourcing, CSC's results-oriented services are created in close partnership with our clients. They reflect a deep understanding of real-world business challenges.

Industries & Solutions:
Behind each one of our solutions, tailored to a wide range of industries, lies CSC's history of maintaining a focus on bottom-line results while guiding clients through each successive wave of business change.

Alliance Business:
Over the years, we have crafted strong relationships with leading technology providers. We draw upon our own expertise and the array of non-exclusive technology alliances we maintain to ensure our clients get the best solutions—at the lowest cost.

Financial Performance:
In fiscal year 2005, CSC reported record major business awards of $16 billion from continuing operations. Revenue from continuing operations for the fourth quarter was $3.88 billion, up 7.9% over last year's comparable quarter. Annual net income was $810.2 million.

Rankings:
How an organization is valued by independent observers is an important index of its worth. CSC performs strongly in ratings and studies by top industry analysts, placing high on crucial attributes such as leadership and the ability to build long-term relationships with our clients.

Management Profiles:
Our senior management team has an average of 25 years of domestic and international IT

experience and a strong history of business, academic and technological accomplishments.

Employee Information:
CSC has approximately 79,000 employees in 80 countries worldwide. Learn more about CSC's people.

Fact Book:
CSC's *Fact Book* (1.1MB) is a compilation of information on the company's services, financial data, strategic programs and representative client engagements.

Supplier Profile:
CSC seeks suppliers who provide quality products and services at competitive prices on a timely basis. Interested suppliers are encouraged to complete a supplier profile. Specific contact information for small business and diverse suppliers can be found at www.csc.com/aboutus/supplierdiversity.

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News & Events

News Release -- August 24, 2004

CSC WINS $500 MILLION FORSCOM AVIATION SUPPORT CONTRACT

EL SEGUNDO, Calif., Aug. 24 - Computer Sciences Corporation (NYSE: CSC) announced today that DynCorp Technical Services (DTS), a CSC company, is one of four firms that have been selected to support the U.S. Army Forces Command (FORSCOM) under the Aviation Joint Administrative Management Support Services (AVJAMMS) contract. CSC estimates the value of the 10-year indefinite delivery/indefinite quantity agreement, which has one base year and nine one-year options, to be approximately $500 million if all options are exercised. The aggregate ceiling value for all four contracts is $2 billion.

Chuck Taylor
Director, Communications
Federal Sector
703.641.3430
> Email

Mike Dickerson
Director, Media Relations
Corporate
310.615.1647
> Email

Bill Lackey
Director, Investor Relations
Corporate
310.615.1700
> Email

Under the terms of the award, DTS will compete for task orders to provide aviation maintenance, project management and training support for FORSCOM activities around the world. For more than 15 years, DTS has provided aviation and logistics support services for FORSCOM operations at Ft. Hood, Texas.

"The combination of our experience supporting the command at Ft. Hood and our record of outstanding training and project management results made us an ideal member of the AVJAMMS team," said DTS President Ben Medley. "We are excited to be one of the four companies selected to support the U.S. Army Forces Command."

Teaming with DTS are CSC's DynCorp International of Ft. Worth, Texas; Central Texas College of Killeen, Texas; and Madison Research Corporation of Huntsville, Ala.

About CSC

Founded in 1959, Computer Sciences Corporation is a leading global information technology (IT) services company. CSC's mission is to provide customers in industry and government with solutions crafted to meet their specific challenges and enable them to profit from the advanced use of technology.

With approximately 90,000 employees, CSC provides innovative solutions for customers around the world by applying leading technologies and CSC's own advanced capabilities. These include systems design and integration; IT and business process outsourcing; applications software development; Web and application hosting; and management consulting. Headquartered in El Segundo, Calif., CSC reported revenue of $14.9 billion for the 12 months ended July 2, 2004. For more information, visit the company's Web site at www.csc.com.

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WC Docket No. 05-25

EXHIBIT 26

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended July 2, 2004

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to ____________

Commission File Number 1-3863

HARRIS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**34-0276860** (I.R.S. Employer Identification No.)
1025 West NASA Boulevard **Melbourne, Florida** (Address of principal executive offices)	**32919** (Zip Code)

Registrant's telephone number, including area code: (321) 727-9100

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value $1.00 per share	New York Stock Exchange
Preferred Stock Purchase Rights	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **Yes** ✓ No__

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Bruno Decl. – Exhibit 26

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increased approximately 20 percent. Our net income from continuing operations for fiscal 2004 was $125.7 million compared to $70.3 million in fiscal 2003.

Financial Information About Our Business Segments

Financial information with respect to our business segments, including revenues, operating income or loss and total assets, is contained under the caption "Discussion of Business Segments" in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in *Note 23: Business Segments* in the Notes to Consolidated Financial Statements and is incorporated herein by reference. Financial information with respect to our operations outside the United States is also contained in *Note 23: Business Segments* and is incorporated herein by reference.

Description of Business by Segment

Government Communications Systems

Government Communications Systems designs, develops and supports state-of-the-art communications networks and communications equipment; plays a key role in intelligence, surveillance and reconnaissance; designs and supports information systems for image and other data collection, processing, interpretation, storage and retrieval; and offers engineering, operations and support services. This segment serves a diversified customer base within the U.S. Government, including the U.S. Department of Defense, Federal Aviation Administration ("FAA"), U.S. Census Bureau, National Geospatial-Intelligence Agency ("NGA"), Department of State, U.S. Postal Service and other U.S. Government agencies, and also for other large aerospace and defense companies. The Government Communications Systems segment serves five strategic program areas.

Department of Defense Programs: Government Communications Systems is a major supplier of spaceborne communications and information processing systems, including large deployable satellite antenna systems, and flat-panel, phased-array and single-mission antennas. Harris is a leading supplier of high-frequency satellite ground terminals for the U.S. Department of Defense, supplying the Army, Navy, Air Force and Marines. Currently in the design phase is the U.S. Air Force's Family of Beyond Line-of-Sight ("FAB-T") program, with Harris providing terminal and antenna hardware integration and operator interface development for both aircraft and ground satellite terminals. The FAB-T program will provide the warfighter with protected, wideband satellite communications on strategic aircraft and at remote ground, fixed and mobile command and control centers. The FAB-T terminals employ the innovative software-defined radio architecture employed in the Joint Tactical Radio System program. During fiscal 2004, Government Communications Systems was awarded a 30-month, $85 million contract to develop four prototypes for the next-generation Advanced Extremely High Frequency ("AEHF") Multi-Band Terminals for the U.S. Navy. Government Communications Systems also was awarded contracts for the satellite communications equipment for the U.S. Missile Defense Agency's Sea-Based X-Band Radar program; is supplying portions of the communications systems for the Ground-based Midcourse Defense ("GMD") program (formerly known as National Missile Defense); has won follow-on awards for the U.S. Army's Multiple Launch Rocket System program; and provides anti-jam precision munitions electronics for the U.S. Air Force Small Diameter Bomb program.

In the area of avionics, Government Communications Systems' electronic products enable high-speed communications for platforms such as the USAF F/A-22 Raptor air-dominance fighter, the F/A-18 E/F Super Hornet and the Lockheed Martin F-35 Joint Strike Fighter aircraft. Harris has a major role in providing advanced avionics systems design, development and production work for the Lockheed Martin F-35 Joint Strike Fighter aircraft. We expect to provide more than $2.5 billion in avionics infrastructure, image processing, digital map software and fiber optics work for the Joint Strike Fighter program through 2023. The Government Communications Systems segment also provides tactical common data links providing high-speed digital data links to support both unmanned and manned airborne reconnaissance platforms.

National Security Programs: Government Communications Systems is a leading provider of communications equipment and systems, and image and information processing solutions to national intelligence customers. We provide comprehensive solutions for intelligence, surveillance and reconnaissance. A significant portion of this program area involves classified programs. While classified programs are not discussed in this Annual Report, the operating results relating to classified programs are included in our consolidated financial statements, and the business risks associated with such programs do not differ materially from those of other programs for the U.S. Government. Under many of our programs, we are required to maintain facility and personnel security clearances complying with U.S. Department of Defense and other Federal agency requirements.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended June 28, 2002

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______ to ______

Commission File Number 1-3863

HARRIS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**34-0276860**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
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(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (321) 727-9100

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value $1.00 per share	New York Stock Exchange
Preferred Stock Purchase Rights	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act:

None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **Yes** x **No**__

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Bruno Decl. – Exhibit 26

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information processing systems, cockpit digital moving maps, controls and display processors, a leading supplier of terrestrial and satellite communication systems, including large deployable satellit antenna systems and flat panel, phased-array and single-mission antennas and is a preeminent supplier of super-high-frequency military satellite ground terminals for the U.S. Department of Defense.

This segment is a major supplier of custom ground-based systems and software designed to collect, store, retrieve, process, analyze, display and distribute information for government, defense and law enforcement applications, including meteorological data processing systems and range management information systems. This segment also provides computer controlled electronic maintenance, logistic, simulation and test systems for military aircraft, ships and ground vehicles and provides sophisticated ground-based and shipboard command, control, communication, computer an intelligence systems, products and services for many government end-users. This segment's electronic products enable high-speed communications for platforms such as the USAF F-22 Raptor air-dominance fighter and the Army's Commanche advanced armed reconnaissance helicopter. The segment is also supplying portions of the communications systems for the Ground-based Midcourse Defense program (formerly known as National Missile Defense) and has won follow-on awards for th U.S. Army's Multiple Launch Rocket system program.

Specific examples of technology developed by this segment include a family of wideband digital links to support the transmission of radar, imagery and video from reconnaissance aircraft, unmanne aerial vehicles and satellites and the development of a digital map that electronically displays real-time terrain, flight paths and target locations for fighter helicopters. The segment also has extensive expertise in microelectronics, microelectronic machines and advanced wireless tracking technology, and is developing secure wireless LAN products for battlefield applications, and advanced modems for use in high-bandwidth efficient systems.

Major program milestones for the segment in fiscal 2002 included:

- obtaining a major role in providing advanced avionics systems design, development and production work for the Lockheed Martin Joint Strike Fighter aircraft. We currently expect to provide more than $2 billion in avionics work over the anticipated 20-year life of the program,
- an award of an eight-year contract by the U.S. Census Bureau for the Master Address File/ Topologically Integrated Geographic Encoding and Referencing Accuracy Improvement Project, currently anticipated to provide total revenue of $200 million. This program will provide a computer database of all addresses and locations where people live or work, covering an estimated 115 million residences and 60 million businesses in the U.S.,
- an award of a $222 million production contract by the U.S. Army Communications Command for 205 lightweight multiband satellite terminals, and
- an award of a six-year, $70 million contract by TRW Inc. for development of the In-Flight Interceptor Communications System for the Ground-based Midcourse Defense program.

In addition, in July of 2002, we were awarded a 15-year, $1.7 billion contract to integrate and modernize the FAA's Telecommunications Infrastructure. The total contract amount of the program including options could reach $3.5 billion through 2017. This program will consolidate telecommunications at more than 5,000 FAA facilities nationwide, while reducing operating costs, enhancing network security and improving service.

In July 2002, we were also awarded a one-year, $43 million contract to provide operations and maintenance services for the U.S. Air Force Satellite Control Network's communications functions at Schriever AFB, Colorado, and Onizuka AFS, California. The contract contains options that could increase the overall contract amount for us to $355 million through 2009.

A significant portion of this segment's business involves classified programs. While classified

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WC Docket No. 05-25

EXHIBIT 27

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Commitment to Diversity

SYSTEMS INTEGRATION

Diverse technologies and expertise applied in a synergistic way to address business challenges from citizen services to border security to command and control. That's what Lockheed Martin brings to our customers through systems integration. As the number one IT development and integration firm in the U.S., we manage large data and technology infrastructures, integrate complex IT systems, and offer the skill and talent of 12 software maturity Level 5 and Level 4 companies. Our 30,000-plus IT professionals support more than 2,000 government and commercial field locations in the U.S. and abroad, integrating complex, mission-critical systems for civil agencies, armed forces and other customers.

Our platform integration capabilities span homeland security, space, air, land, sea, and undersea missions. And our systems solutions incorporate novel open architectures, enabling commercial, component insertion and periodic, ongoing technology updates. The result for our customers - improved efficiency, enhanced security, reduced cost, and ultimately, information age transformation.

Current / Potential Customers

- Air Force
- Army
- Defense Agencies
- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Energy
- Department of Health & Human Services
- Department of Homeland Security
- Department of Housing & Urban Development

Products / Services

- Application Development & Maintenance Solutions
- Business Strategy & Consulting
- Defense Services
- Department of Defense (DoD) Intelligence Information Systems (DoDIIS) Integration and Engineering Services Contracts (DIESCON) 3 Web Site
- Electronic Suspense Tracking and Routing System
- Enterprise Solutions
- Environmental Services
- General Services Administration

- Department of Justice
- Department of Transportation
- Environmental Protection Agency
- Marine Corps
- NASA
- Navy
- Office of the Secretary of Defense
- Social Security Administration
- Special Operations Command
- State & Local Government
- U.S. Postal Service
- Unified Commands

- Information Technology Enterprise Solutions
- Information Technology Solutions - Environmental Systems Engineering (ITS-ESE)
- Integrated Data System
- Integration & Technical Services
- Intranet Quorum
- IT Solutions
- LMKnowledgeNet
- OMEGA (TM)
- Project NETbook: A Web-Based Resource Management Solution
- Remote Sensing Support Services
- Response Engineering Analytical Services
- Total Engineering and Integration Services
- Wireless and Mobile Computing

Printer-friendly Version

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Lockheed Martin Selected to Manage U.S. Postal Service Integrated Network Services

print e-mail link RSS

Website

OWEGO, N.Y., Oct. 4 /PRNewswire-FirstCall/ -- The United States Postal Service has selected a team led by Lockheed Martin (NYSE: LMT) to provide managed network services across the entire Postal Service enterprise, encompassing more than 37,000 locations. Services include data, voice, video, wireless and managed security.

The Universal Computing Connectivity (UCC) award is a six-year contract with four, three-year options and a potential value of $3 billion.

Under the UCC program, the U.S. Postal Service will integrate all postal data communication networks, including the wide area network (WAN) and local area networks (LAN), into a single, ubiquitous network service that will provide enterprise data transport, voice, wireless, remote access, network management and managed security services.

Lockheed Martin's team includes industry leaders and experts skilled to address the diverse UCC program requirements, which involve telephony, networking, communications, information technology (IT) infrastructure and security technologies, and field engineering disciplines. Major teammates include Hewlett-Packard, AT&T, Verizon, Qwest, SBC, BellSouth and Hughes Network Systems.

"The UCC program enables the U.S. Postal Service to procure all network and telecommunication services via one supplier, which will deliver significant efficiencies and reduce overall operational costs for processing and delivering the mail," said Judy Marks, president of Lockheed Martin's Distribution Technologies business, which has supported the Postal Service for more than 40 years. "Our commitment to serving the Postal Service, our knowledge of its operations, and the combined strength of our UCC team's domain knowledge and expertise will allow us to establish the partner-focused relationship that the U.S. Postal Service is seeking for UCC, while maintaining competitive service costs throughout the contract's life cycle."

"We're extremely proud to be the supplier of choice for this essential transformation program. Our UCC team stands ready to support the U.S. Postal Service's information technology initiatives to integrate telephony with network services by continuously looking for ways to apply our team's innovation and technology to improve the U.S. Postal Service's mission performance," Marks added.

Headquartered in Bethesda, MD, Lockheed Martin employs about 130,000 people worldwide and is principally engaged in the research, design, development, manufacture and integration of advanced technology systems, products and services.

SOURCE Lockheed Martin
*Web Site: **http://www.lockheedmartin.com***

GCN
Government Computer News | GCN.com
Thursday June 9, 2005 | Updated 4:03 PM EST June 9
PostNewsweek Tech Media
Visit our other sites
Washington Technology
FOSE

10/04/04

USPS taps Lockheed Martin for $3 billion telecom contract

By Jason Miller
GCN Staff

The Postal Service late last week hired Lockheed Martin Corp. to manage its telecommunications infrastructure under a potential 18-year, $3 billion contract.

Robert Otto, USPS' chief technology officer, said the deal would consolidate dozens of existing contracts for voice, data, wireless, managed services and network access across the third-largest network in the world.

"Lockheed's team put together the best package for the Postal Service from a technical and financial perspective," Otto said. "We will save 20 percent to 30 percent over the previous contracts. This offers us a greater service than we have today."

Lockheed's team, which includes AT&T Corp., BellSouth Corp. of Atlanta, Hewlett-Packard Co., Hughes Network Systems Inc. of Germantown, Md., Qwest Communications International Inc. of Denver, SBC Communications Inc. of San Antonio, and Verizon Communications Inc., beat out teams led by traditional telecommunications providers MCI Communications Corp. and Sprint Corp. MCI was the incumbent for many of the contracts USPS is consolidating, including the network operations center.

Otto said USPS employees will see the difference in the new contract within the next month. He said Lockheed Martin's team will begin upgrading some facilities immediately.

"We have thousands of sites across the nation where the nodes are being

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Enterprise Architecture
Management (Exec Center)
Portfolio / Program / Project
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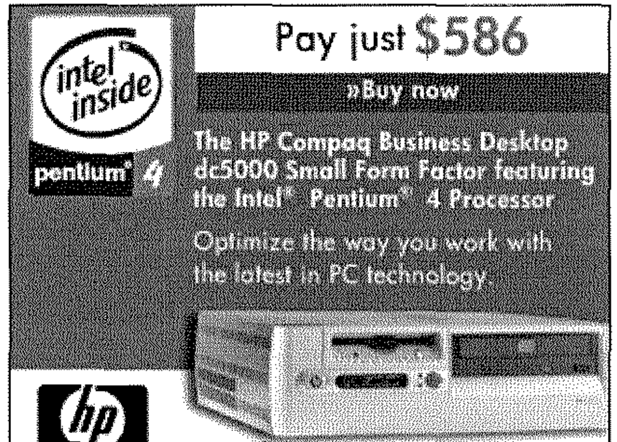
saturated, and we will be upgrading the bandwidth into that site," Otto said. "It may be as simple as turning a switch on with the new telecommunications company or more complex like changing routers and switches."

Otto said the full transition to the new providers will take between two and three years, which is the reason for the longer-than-usual duration of the contract



This page is located on the U.S. Department of Housing and Urban Development's Homes and Communities Web site at **http://www.hud.gov/offices/cpo/primes/hits.cfm**.

Homes & Communities
U.S. Department of Housing and Urban Development

HUD Awards Information Technology Contracts Totaling $800 Million to Electronic Data Systems and Lockheed Martin Corporation

WASHINGTON, D.C. – The U. S. Department of Housing and Urban Development announced today that the 10-year HUD Information Technology Services (HITS) procurement totaling $800 million has been awarded to Electronic Data Systems Corporation (EDS), Plano, Texas and Lockheed Martin, Bethesda, Md.

"HUD, EDS, and Lockheed Martin have settled the disputes relating to the HUD Information Technology Services procurement," said HUD Deputy Secretary Roy Bernardi. "The awarding of multiple contracts is the most prudent, cost effective and efficient manner to transform HUD's IT infrastructure."

Both EDS and Lockheed Martin will receive prime contracts to provide IT services to the Department. Each contract will be worth approximately $400 million. EDS will operate a data center and provide disaster recovery and Lockheed Martin will provide direct IT services for HUD headquarters and HUD's field offices. HUD believes that EDS and Lockheed Martin are both world-class companies and that this settlement arrangement will ensure that the Department will be able to meet its IT needs.

"We are pleased with this agreement," said Jim Duffey, EDS vice president, Global Sales and Client Solutions - U.S. Government. "Now, together, we can get down to the business of helping HUD modernize its IT infrastructure."

"Lockheed Martin looks forward to working with Electronic Data Systems to seamlessly deliver information technology services to HUD under the HITS program by leveraging our combined capabilities and expertise," said Dan Crowley, Lockheed Martin Simulation, Training & Support President. "I commend the Lockheed Martin employees who never wavered in their commitment to HUD's success throughout the HITS competition."

Specific information about each contract and major subcontractors will be posted to this site in the near future.

Content updated January 24, 2005

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DECLARATION OF ERIC BRUNO

WC Docket No. 05-25

EXHIBIT 28

REDACTED - FOR PUBLIC INSPECTION

Communications Daily

March 21, 2005, Monday

SECTION: TODAY'S NEWS

LENGTH: 560 words

HEADLINE: GAO Considers Rebidding Major Treasury Dept. Contract

BODY:

In a major govt. contracting development, the GAO said the Treasury Dept. must reopen negotiations on a marquee $1 billion telecom contract that AT&T won from the Treasury Dept. The move is a setback for AT&T and a win for other bidders, who may have another chance to win the contract. "This is a big deal," said Warren Suss, a consultant and expert on govt. contracting issues. "This is the Dept. of Treasury's core communications network. A lot of important stuff goes over it, particularly the IRS data."

The GAO report hasn't been released. Sources said the next step is uncertain, but the development is seen as embarrassing to Treasury and IRS officials who approved the Treasury Communications Enterprise (TCE) contract. The contract covers 3 base years and 7 annual extensions, with an overall value as high as $1 billion. The companies that filed protests are Broadwing Communications, Level 3, MCI, Northrup Grumman Information Technology and Qwest Govt. Services. Sprint, another bidder, didn't file a protest.

"Until we see the GAO report, we really don't know what action they're saying the Treasury must carry out," said consultant John Okay. "There's about 3 actions the GAO could tell them to pursue. One is to tell Treasury to start all over again. That would be very expensive, very time-consuming for all the bidding companies. Another would be to hold discussion with all the bidders and give the Treasury and bidders a chance to share information... The 3rd step may be to call for best and final offers," known as BAFOs. Okay said at the least the GAO will demand another BAFO round. "I've heard anecdotally that a point of contention from some of the participants was the fact that they didn't hold discussions," he said. "On a project of this scope and dollar magnitude it's unusual not to hold discussion."

Suss said the Treasury Dept. contract was especially significant as the telecom industry reshapes itself. "It attracted both integrators and carriers to the competition," he said. "We're seeing a clash of the titans where the integrators and carriers are going head to head... Will the integrators be the ones to put the solutions together or will the carriers put the solutions together and leave the integrators out in the cold?"

AT&T said it would defend the contract. "We're disappointed in the GAO's decision but we fully intend to compete vigorously to retain this award as the Treasury Dept. amends it and collects additional information from bidders," said Lou Addeo, pres. of AT&T Govt. Solutions. "We strongly believe we submitted far and away a superior solution to Treasury's networking needs and we look forward to making our case again to Treasury."

"Our faith in the fairness of the federal procurement process is affirmed by this decision," Level 3 said. "Level 3 looks forward to the opportunity to present our solution to Treasury, and we remain confident that Level 3 provides the best value to the government-through our combination of quality managed services at competitive prices." Qwest said it was "proud of its record of performance that has resulted in cost savings for Treasury under the current contract." Qwest added: "We look forward to continuing to work with the agency to evolve their communications infrastructure." -- Howard Buskirk

LOAD-DATE: March 18, 2005

DECLARATION OF ERIC BRUNO

WC Docket No. 05-25

EXHIBIT 29

REDACTED - FOR PUBLIC INSPECTION

DC05-152 March 10, 2005

BT and Reuters sign major contract

BT also to acquire Radianz from Reuters

BT and Reuters (RTR:LSE) today announced that BT will become Reuters supplier of network services in a contract under which Reuters is expected to spend in the region of $3 billion over eight and a half years. BT will also acquire Radianz, the leading financial services extranet provider, from Reuters for a consideration of $175m for the business plus any cash remaining on the balance sheet, net of working capital adjustments, at the date of completion.

Under the network services agreement, BT will provide and manage secure data networks for Reuters products and services world wide. This will see Reuters customers benefit from the breadth and flexibility of BT's global portfolio of networked IT services. In addition, BT's skills and expertise in the provision and management of highly resilient networks will enable Reuters to continue the substantial improvements to its products.

The purchase of Radianz is an important step in BT's continuing transformation into a global provider of networked IT services. The move is a logical evolution for Radianz, strengthening its position as a neutral, shared market infrastructure provider for the financial services industry. Following the acquisition, Radianz will continue to provide high quality extranet services for Reuters and the global financial services market. The company and its customers will benefit from a broader range of integrated services in the future provided by BT.

Tom Glocer, Reuters Group chief executive, said: "The network services agreement with BT signals the start of an important relationship. It will see Reuters and its customers benefit from the range of communication services that BT and Radianz will provide to the financial services community. Along with the sale of Radianz, it also sees Reuters exiting the provision and management of data networks. This is a major contributor to our Fast Forward business transformation programme and will allow Radianz to build upon its recent successful performance. I look forward to working with BT as a partner."

Ben Verwaayen, chief executive, BT, said: "I am very excited about the possibilities that come from this relationship and believe the benefits for both companies will be significant. For Reuters, having a high-performance communications network is central to its business. The network services contract is the latest example of major enterprise customers choosing BT as their global communications partner. The acquisition of Radianz is of strategic importance as the global financial services market offers a huge opportunity to BT, and this will form the cornerstone of our approach to this sector."

This is the latest in a series of announcements by BT of major customer contract wins. It also follows the acquisitions of Albacom and Infonet. The deal announced today is the result of the news in October 2004 that BT and Reuters were in exclusive discussions about a long-term network services agreement and ownership of Radianz. The completion of the network services agreement is subject to the completion of the acquisition of Radianz by BT, which is subject to final regulatory approvals and other customary completion conditions, expected in the next three months.

The consideration for BT's acquisition of Radianz from Reuters will be satisfied in cash at completion. Reuters intends to use the proceeds from the sale of Radianz to invest in its business and pay down debt. As a result of the transaction, future funding obligations from Reuters to Radianz of $44m will be extinguished. Radianz had reported net assets of $185m as at 31 December, 2004 and a 2004 loss before tax of $2m (Radianz results are currently unaudited).

Ends

About Reuters
Reuters (www.reuters.com), the global information company, provides indispensable information tailored for professionals in the financial services, media and corporate markets. Its trusted information drives decision making across the globe based on a reputation for speed, accuracy and independence. Reuters has 14,500 staff in 91 countries. This includes 2,300 editorial staff in 196 bureaux serving 129 countries, making Reuters the world's largest international multimedia news agency. In 2004, Reuters Group revenues were £2.9 billion.
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Forward-looking statements
This presentation may be deemed to include forward-looking statements relating to Reuters within the meaning of Section 27A of the US Securities Act of 1933 and Section 21E of the US Securities Exchange Act of 1934. Certain important factors that could cause actual results to differ materially from those disclosed in such forward-looking statements are described in Reuters Annual Report and Form 20-F 2004 under the heading 'Risk Factors'. Copies of the Annual Report and Form 20-F 2004 and the press releases referenced above are available on request from Reuters Group PLC, 85 Fleet Street, London EC4P 4AJ. In particular, Reuters ability to complete the transactions and realize the anticipated benefits is subject to the risks that the conditions to such transactions may not be not satisfied and that BT's acquisition and operation of Radianz may not result in the anticipated benefits and efficiencies to Reuters. Any forward-looking statements made by or on behalf of Reuters speak only as of the date they are made, and Reuters does not undertake to update any forward-looking statements.

About Radianz
Radianz (www.radianz.com) is the leading provider of secure, reliable, and scalable connectivity to the global financial community. The Company's shared market infrastructure is a neutral platform that provides turnkey access to a broad array of pre-trade, trade, and post-trade applications from leading content and service providers across the straight-through processing (STP) chain. In 2004, both the readers and editors of WATERS magazine in separate surveys named Radianz "Best Network Provider."
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